



County of Los Angeles CHIEF ADMINISTRATIVE OFFICE

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June 21, 2007

To: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: David E. Janssen
Chief Administrative Officer

SACRAMENTO UPDATE

Budget Conference Committee's Action on Juvenile Justice Reform (Weekly Update # 3)

On Tuesday June 19, 2007, the Budget Conference Committee took action to approve a package of juvenile justice reforms by 5 to 1 vote. No legislative language is currently available, and our comments rely on information from our Sacramento advocates, the California State Association of Counties, the Urban Counties Caucus, and others. This Update also constitutes our third weekly report on Juvenile Justice Reform as requested by the Board at its meeting of June 5, 2007.

The provisions of the package include: 1) a block grant of \$117,000 annually per ward retained by the county to be allocated on the basis of the number of felony dispositions and the juvenile population aged 10 to 17, a grant of \$15,000 per juvenile offender paroled from a State facility, and the option for a county to request the return of some or all of the existing non-violent juvenile offenders now in State custody; 2) a 60-day delay in the startup of the new program beginning on the date the budget is signed and a \$4.9 million in local planning grants; 3) \$10 million in one-time competitive programming grants; 4) an emergency fund to reimburse small counties for unforeseen juvenile population increases; 5) \$100 million in bond authority to increase and improve juvenile facilities to house the new population with a required 25 percent county match; and 6) the establishment of an advisory Juvenile Justice Commission.

The Board's June 8, 2007 letter to Governor Schwarzenegger, the legislative leadership, and the Los Angeles County delegation indicated support of the concept of retaining youth with lesser offenses at the local level where they will benefit from county programs and community support networks and identified a number of concerns regarding any proposal to change or restrict the placement of juvenile offenders. These concerns were primarily fiscal and are discussed below in light of the Conference Committee's action.

Funding for New Population and Services

The State is proposing a block grant of \$117,000 per ward to be allocated to counties which assumes counties retain an estimated sliding scale payment of \$13,000 annually leaving the County with an estimated \$130,000 per ward to provide services to these youth. This amount is within the funding range of \$130,000 to \$150,000 identified by your Board. However, it is unclear if the allocation formula, which is based on the number of juvenile felony adjudications and the proportion of the population between the ages of 10 to 17, will yield the \$117,000 per ward for those we retain.

In addition, according to our Sacramento sources, the State is proposing a grant of \$15,000 per juvenile offender paroled from a State facility; however, it is not clear if this plan would transfer all state juveniles released from State facilities or be limited to non-violent offenders. A similar grant would be provided for juvenile parole violators. According to the Probation Department, to the extent that the parole violators are re-incarcerated, a grant of \$15,000 per parolee may not be sufficient to cover the County's costs of detention of \$130,000 to \$150,000 per year.

Counties will have the option to bring back some or all youthful offenders now in State custody, with funds attached to each offender who is brought back. The Probation Department advises that they are unlikely to exercise this option.

Funding will be provided through a continuous appropriation which is substantially better than an annual appropriation. This is intended to provide funding for the program outside of the annual budget process. While there will be an increase in funding in the second year of operations due to additional retentions of juvenile offenders, funding will not increase in subsequent years and there are no provisions for cost of living increases in the grants. (Your Board has supported a dedicated revenue source with annual cost adjustments.)

Transition and Start up Costs

There will be a 60-day delay in the start-up of the new program beginning on the date the budget is signed and counties will no longer have the option of sending non-707 (b) offenders to the State after that date. The State's proposal includes \$4.9 million to counties for pre-planning grants. The 10 largest counties, including our County, will receive \$150,000 each; the 20 next largest counties will receive \$100,000 each, and the remaining 28 counties will receive \$50,000 each. While it is important that counties

have funds to plan for their increase in the juvenile offender population, it is not clear that funds would be available for the conversion and start up costs incurred during this transition consistent with Board direction.

In addition, our Sacramento advocates indicate that the proposal includes \$10 million in one-time competitive planning grants which will be available for the development of local services and programs for specialized populations. These grants are intended for additional planning and development efforts for youthful offenders with histories of mental health, substance abuse, violence, or other recurrent behavioral problems. Initial reports also indicate that these grants likely will require a 25 percent county match.

Provision for Unanticipated Juvenile Population Increases in Small Counties

The State plan proposes separate funds to reimburse counties for unanticipated increases in non-violent juvenile offenders at the local level. However, our Sacramento sources indicate that these funds would provide relief only to smaller counties.

Facilities Enhancements and Improvements

There will be \$100 million in lease revenue bond authority, with a required 25 percent county match, to increase the capacity and improve juvenile facilities for the new population.

Cost Protections

At this time, we are unable to determine whether the State intends to increase sliding scale payments for the remaining juvenile offenders remanded to State facilities by the courts. In addition, we do not have any information on how the State would mitigate any future mandates upon the County. As a result, we cannot determine if the State's plan would include provisions to prevent additional fiscal liability from being imposed on the County.

We are also unable to determine whether there are any safeguards in the plan should State payments under the program be significantly delayed or if the level of reimbursement is inadequate. As we noted above, while there is proposed funding for underestimates of population for small counties, there are no provisions for underestimates of the cost of retaining a juvenile offender under County authority

Establishment of a Commission

The Conference Committee plan sets up an advisory Commission to provide findings and recommendations regarding the evaluation and treatment of juvenile offenders. A majority of its membership will be drawn from counties. According to our Sacramento sources, it will be co-chaired by a Chief Probation Officer and a representative from the Department of Corrections and Rehabilitation and the Department of Juvenile Justice. This action is consistent with your Board's support for creation of a joint State-county implementation team.

Education Programs

We have no information on the level of educational funding proposed by the State for this new offender population and therefore, cannot verify that the State's proposal has adequately addressed your Board's concern for educational funding for the new ward population.

Continuing Activities

While there are a number of uncertainties regarding the State's juvenile justice reform proposals, we will continue to support the concept of Juvenile Justice Reform as presented by the Governor and as passed by the Budget Conference Committee subject to the provision of adequate funding for the increased service and facility demands resulting from its implementation.

The Conference Committee's juvenile justice reforms will now become part of the final Conference Committee Report which will be considered by both houses. We will continue to communicate your Board's support for juvenile justice reform and its focus on retaining youth with lesser offenses at the local level where they will benefit from County programs and community support networks consistent with your Board's five signature letter to the Governor, the Legislative Leadership and the County's Legislative delegation.

Therefore, we are supportive of the Budget Conference Committee proposal, which retains youth with lesser offenses at the local level where they will benefit from county programs and community support networks, and continue to advocate for the Board's concerns in Budget trailer bill language, to the extent possible, and in subsequent clean-up legislation.

We will continue to keep you advised.

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c: Executive Officer, Board of Supervisors
 County Counsel
 Probation Department
 Department of Mental Health
 Department of Health Services
 Department of Public Health